

**CHEVY CHASE VILLAGE
BOARD OF MANAGERS
JUNE 10, 2013 MEETING**

STAFF REPORT

TO: BOARD OF MANAGERS

FROM: SHANA R. DAVIS-COOK, VILLAGE MANAGER 

DATE: 6/4/2013

SUBJECT: SUPPLEMENTAL RE-APPROPRIATION REQUEST: \$65,000 TO BE RE-APPROPRIATED FROM "LEGAL: GENERAL COUNSEL" TO THE "POLICE, OPERATIONS" BUDGET FOR: *SAFESPEED* PROGRAM VENDOR'S COLLECTIONS PROCESSING FEES IN THE AMOUNT OF \$50,000 AND VEHICLE MAINTENANCE AND REPAIRS IN THE AMOUNT OF \$15,000

Please see the attached explanatory memo from Finance Director Mr. Demetri Protos regarding the increased expenses incurred during the current fiscal year related to contracted collections processing fees for our *SafeSpeed* Program and larger than anticipated vehicle maintenance and repairs expenses. The former expense is offset by the increased revenues received from these collection efforts. These unanticipated expenses have necessitated the allocation of additional funding to the police operations budget for FY2013.

Thus far, we are running well below budget in the "Legal: General Counsel" line item (currently running 70% below budget). We recommend re-appropriating funds rather than a supplemental appropriation from reserves, which will allow the overall final budgeted expenses to remain the same. If the re-appropriation is authorized, over \$40,000 will remain in the "Legal: General Counsel" line item of the budget for legal expenses invoiced for the remaining months of the fiscal year (May and June).


Finance Director Demetri Protos and Police Chief John Fitzgerald have reviewed this matter with Board Treasurer Mr. Gary Crockett who has provided is support of the proposed re-appropriation.

Board Action Requested, Draft Motion¹

I move to authorize the re-appropriation of \$65,000 from "Legal: General Counsel" to "Police, Operations" in the FY2013 budget for increased expenses in contracted vendor's fees for *SafeSpeed* Program collections in the amount of \$50,000 and vehicle maintenance and repairs in the amount of \$15,000.

¹ This action will require an affirmative vote of at least five members (state law requires affirmative 2/3 vote of the governing body to make budget amendments).

Memo

To: Shana Davis-Cook
From: Demetri Protos, Finance Director 
CC: John Fitzgerald, Chief of Police
Date: 5/31/2013
Re: Supplemental Re-appropriations

We are requesting two supplemental re-appropriations in order to cover the cost of two items in the Police Department's operating budget: 1) our contractor's debt collection efforts for unpaid *SafeSpeed* citations, and 2) this year's unusually high cost of police vehicle repairs. Savings realized in other portions of the FY13 budget will be sufficient to cover these expenses without the need to appropriate additional funds from reserves.

The **first** requested re-appropriation will be **from Legal: General Counsel to Police Operations for \$50,000 to cover the cost of the delinquent collection fees.** When speed camera citations are paid *after* they are submitted to collections, the Village keeps 70% of the amount collected, and we remit 30% of the collected amount to our collections agent/contractor. On the positive side, our collection revenues have far surpassed our expectations, but that also means that the cost of those collections (the 30% portion) has also surpassed our projections. We had budgeted sufficient funds to pay for a total of \$50,000 in gross collections; we will receive more than \$200,000 in collection revenue this fiscal year.

The **second** requested re-appropriation will be **from Legal: General Counsel to Police Operations for \$15,000 to cover the cost of vehicle repairs to the police cruisers.** With the fleet of cruisers remaining in service longer than in the past and becoming older, they are suffering from more wear and tear and have needed significantly more maintenance and repairs. In addition, this has been an unusual year in terms of unanticipated major repairs for individual cruisers, and the total cost was unforeseeable.

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